

**RESPONSE TO THE USPTO REQUEST FOR COMMENTS**  
**“Changes to Implement the Cooperative Research and**  
**Technology Enhancement Act of 2004”**

**Submitted by: The National Association of Patent Practitioners**

**Introduction**

These comments are submitted in response to the USPTO request for public comment with respect to the notice of Interim Rule appearing in the Federal Register Vol. 70, No. 7 (70 Fed. Reg. 1818), dated Tuesday, January 11, 2005. The USPTO invited comments, with respect to: (1) whether the collection of information is necessary for proper performance of the functions of the agency; (2) the accuracy of the agency’s estimate of the burden; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information to respondents.

The National Association of Patent Practitioners (NAPP) is a nonprofit trade association for patent agents and patent attorneys. We have approximately 500 members in 13 countries. The patent practices of the practitioner members are focused primarily on patent prosecution practice, namely practice before the USPTO. As part of our mission statement, we aim to create a collective nationwide voice to address issues relating to patent prosecution practice.

We welcome this opportunity to respond to the USPTO solicitation with respect to the interim rule that revises the rules of practice in 37 C.F.R. to implement the CREATE Act.

**Comments**

**Comment #1:**

Proposed rule 37 CFR §1.71(g) states that “the *specification* may disclose or be amended to disclose the names of the parties to a joint research agreement ....” [Emphasis added] However, 35 USC § 103(c)(2)(C) states, “the *application* for patent for the claimed invention discloses or is amended to disclose the names of the parties to the joint research agreement.” [Emphasis added] NAPP views the requirement of proposed 37 C.F.R. §1.71(g), that the names of the parties be disclosed in the specification, as placing an additional burden on the applicant because it requires more than what the statute requires, and as unnecessary.

NAPP is aware of Congress’s desire to have the names of the parties to a joint research agreement as part of the application to serve as notice to the public. In addition, NAPP is aware that the term “application” is sometimes used interchangeably with “specification.” The term “application,” however, is defined in 35 USC §111(a)(2) as, “the specification, a drawing, and an oath or declaration by the applicant (see 35 USC §115 for the oath).”

Thus, the USPTO can comply with the CREATE Act by having the names of the parties to the joint research agreement inserted into the *oath* instead of the specification. Any concern about public notice would likely be addressed by the assignment or terminal disclaimer information on the face of the patent (see proposed 37 CFR §1.109(b)) and, for certain, by the public availability of the information in the file history (see below). NAPP proposes that the USPTO rules should use the broad construction of the term “application” because it will reduce the burden on both the applicants and the Office, as detailed more fully below.

Acceptance of this proposal would make the proposed amendments to 37 CFR §1.77 unnecessary as well.

The following points support NAPP’s view:

**(a) *The rules for removal of references as prior art under the CREATE Act should be the same as the rules for removal of references for other reasons.***

The CREATE Act amends 35 USC §103. Under pre-existing Section 103, even before the CREATE Act, a reference does not qualify as prior art if it is commonly owned. The CREATE Act expands this exception to cover references from joint research agreements, despite absence of common ownership. Rule 131 (37 C.F.R. § 131) allows removal of a U.S. patent as prior art (under 102(e)/103) when an applicant can show that the invention was developed before the effective date of the referenced U.S. patent (this is colloquially called “swearing in back” of a reference).

With respect to showings of common ownership or “swear backs,” the USPTO rules do not require that the relevant information be inserted into the specification. Rather, an applicant can file an oath or declaration stating that the patent properties were under common ownership, or a simple affidavit demonstrating invention prior to a certain date, which becomes a part of the record for that application.

The CREATE Act rules should be amended to delete the requirement that the names of the parties to the joint research agreement be disclosed or amended in the specification. Instead, the rule should simply require that the applicant shall notify the USPTO of the same information by filing an oath or declaration, or a supplemental oath or declaration in the application, making the practice consistent with the present practice of 37 C.F.R. §1.131.

**b) *Placing the necessary information in the file history rather than the specification will not harm the public.***

NAPP’s proposal would imply that the printed patent will not contain the names of the parties to the research agreement on its face. Instead, the information will be available to the public through the oath or declaration, which can be found in the file history. NAPP does not believe that this will cause substantial harm to the public. Any member of the public who is seeking to evaluate the strength of the patent claims, or compare the patent

to the prior art, will also be reading the file history, as a matter of course. Thus, it seems unlikely that issuance of the patent without the names of the parties to the research agreement will negatively influence the public in any way.

This proposal is no different than the current practice with respect to commonly owned patents. Presently, when an applicant seeks to remove a prior-issued, commonly owned patent as a reference, there is no requirement to amend the specification or record an assignment identifying the common owner. Rather, the applicant simply files an oath or declaration, which becomes part of the record, and the reference is removed. The common ownership removals appear only in the file history and not on the face of the patent. Since this practice has not caused any problems for the public evaluating the strength of existing patents, there should not be a problem with having information about a joint research agreement found only in the application file history.

**c) *Placing the necessary information in the file history rather than the specification will reduce cost for applicants and for the USPTO.***

NAPP's proposal would result in substantial cost savings to applicants. It is far simpler to mention the names of the parties in a paper than to include the names in a specification. Amendments to the specification require more care, given the requirements of recently amended 37 C.F.R. §121(b)(1). Also, eliminating the requirement of amending the specification will avoid any need to charge late fees, as indicated in another NAPP comment below, which will reduce applicant cost.

With respect to the USPTO, the burden on the Office is reduced because they will not have to worry about printing the names correctly or inserting late-submitted names into the specification through amendments. See proposed 37 CFR §1.71(g)(3), which recognizes the difficulties of the Office printing late-submitted information on the face of the patent.

**Comment #2**

Proposed rule 37 CFR §1.71(g)(1)(i) states that the specification must also include the date the joint research agreement was executed or a reel/frame number where such information can be found. However, the USPTO does not need to require applicants to disclose the *precise date* of a joint research contract.

NAPP understands that 35 USC §103(c)(2)(A) requires that the USPTO know that the agreement was in effect on or before the date the claimed invention was made. NAPP suggests that the rule should be changed merely to require an oath or declaration by the applicant that the joint research agreement predated the date the claimed invention was made, rather than requiring provision of the actual date.

Indeed, knowing the date of the research agreement does not really assist the examiner, because the applicant may or may not have disclosed the date to which it should be compared, *i.e.*, the date the claimed invention was made. NAPP's proposed rule change

would parallel the requirements existing in current practice for Rule 131 affidavits, where the USPTO permits applicants to redact or “black out” dates and merely swear that it predates the effective date of a cited reference.

### **Comment #3**

In its discussion of specific rules, 70 Fed. Reg. 1820, column 1, the USPTO states that “if a joint research agreement was amended to be in compliance with 35 U.S.C. §103(c) as amended by the CREATE Act, the date the amended joint research agreement was executed is the date the joint research agreement was executed for purposes of 35 USC §103(c)(2)(A) and is the date that must be provided to comply with §1.71(g).” NAPP requests that the USPTO to clarify this comment. Most importantly, NAPP asks the USPTO to make clear that the original date of a joint research agreement should be used, even if the joint research agreement has been amended, provided that the original, pre-amendment joint research agreement is in compliance with 35 USC §103(c).

NAPP is concerned about the USPTO’s construction, and believes that this construction could otherwise be prejudicial against applicants. Clearly, if there was a valid joint research agreement in effect on or before the date of the invention (or the date of passage of the CREATE Act), the fact that it was amended after the date of the invention should make no difference. To apply the date of the amendment as the date for purposes of compliance with §1.71(g) would thus ignore the fact that there was a joint research agreement in existence before the date of amendment, which would prejudice deserving applicants. Indeed, it is hard to imagine any common situations where a pre-existing joint research agreement would be out of compliance with the CREATE Act but come into compliance through amendment.

Having applicants file oaths or declarations stating that the joint research agreement predated the date the claimed invention was made, rather than requiring provision of the actual date (see comment #2 above) would also overcome this difficulty.

### **Comment #4**

Proposed rule 37 CFR §1.71(g)(1)(ii) states that the specification must also include “a concise statement of the field of the claimed invention” or a reel/frame number where such information can be found. First, even if the recorded document were the entire joint research agreement, it seems that it would not contain “a concise statement of the field of the claimed invention” (of a *subsequently* filed patent application) in nearly every case; thus, reference to the reel/frame number seems misplaced.

Second, and more fundamentally, NAPP believes that the USPTO does not need to require applicants to provide “a concise statement of the field of the claimed invention” at all.

The purported justification for asking for a concise statement of the field of the invention is that “this information is necessary to determine whether ‘the claimed invention was

made as a result of activities undertaken within the scope of the joint research agreement’ as required by 35 U.S.C. §103(c)(2)(B).” 70 Fed. Reg. 1820. However, learning applicant’s view of the field of the claimed invention will do nothing to assist the examiner to determine whether the invention was made as a result of activities within the scope of the agreement. The “scope of the agreement” may or may not be disclosed by applicant, and the examiner will not necessarily have any information about that; further, the examiner will not likely have sufficient legal training to determine whether the stated “field” falls within the “scope of the agreement.”

Also, the “field of the invention” has nothing to do with the question of whether the claimed invention was made as a result of activities within the scope of the agreement. That is a historical question, which depends on what happened in the actual joint development project. For example, suppose the parties undertook “activities” that were in fact “within the scope of the joint research agreement,” but those activities resulted in an invention in an entirely separate field. To give one illustration, suppose the parties entered into a joint research agreement related to designing new drugs, but in the course of activities undertaken to pursue new drugs, the participants invented a new screening machine and that was claimed in a patent application. The field of the invention (screening machines) might have little relation to the scope of the joint research agreement (drugs), but the CREATE Act would nevertheless seem to apply, because the invention arose from activities undertaken within the scope of the joint research agreement.

Finally, having the applicant state a field of invention is unnecessary, as the USPTO has already assigned a class and subclass to the application by the time of examination. Applicant statements of invention fields are likely to be inconsistent across applicants and of little use to examiners.

Third, the CREATE Act does not require any statement with respect to the scope of the joint research agreement to be in the application at all, much less the specification. Rather, the only requirement is that the names of the parties to the joint research agreement be in the application. (35 U.S.C. §103(c)(2)(C).)

Accordingly, NAPP suggests that the USPTO substitute a requirement that the applicant merely represent that the claimed invention was made as a result of activities undertaken within the scope of the joint research agreement and that the joint research agreement encompasses the performance of experimental, developmental, or research work in the field of the claimed invention, which is more directly tied to the requirements of 35 U.S.C. §103(c)(2)(B) and (3). In accordance with comment #1 above, such a representation should not be required to be in the specification, or even the application, as such is not required by the CREATE Act.

#### **Comment #5**

Proposed rule 37 CFR §1.71(g)(2) (and also part 3) states that any amendment to recite the information required by (g)(1) that is filed later than the later of three months after

filing or the first office action must be accompanied by a “processing fee” set forth in 1.17(i).

First, NAPP would like to point out that 37 C.F.R. §1.17(i) will need to be amended to account for the processing fee in this section. The interim rule does not address this.

NAPP suggests that this fee will impose an unnecessary burden on applicants and should be removed. If the USPTO were to adopt a broad construction of the term “application,” it would not be necessary to require insertion of the information in the specification (see comment #1), and the fee would be unnecessary.

In particular, applicants should be permitted to make CREATE Act showings to remove a reference cited by the examiner in any Office Action without having to pay an additional fee. Presently, applicants do not have to pay a fee for submitting a Rule 1.131 affidavit or declaration, or for making a showing of common ownership, so why should there be a difference for showings under the CREATE Act? If an invention is thought to be patentable based only on its own merits, but the examiner cites in an Office Action a reference that can be removed by a CREATE Act showing, then the applicant should be able to overcome that reference without paying any penalty fee.

#### **Comment #6**

Proposed rule 37 C.F.R. §1.71(g)(3) states that “an amendment under paragraph (g)(1) of this section filed after the date the issue fee is paid must be accompanied by the processing fee set forth in §1.17(i), and the patent may not include the names of the parties to the joint research agreement.” If the USPTO decides to adopt a broad construction of the word “application,” this provision should be moot. However, if this provision is retained, the rule should be worded to make it more understandable. Specifically, the current wording “...the patent may not include the names of the parties to the joint research agreement” would be more aptly worded “...the patent, as printed, might not include the names of the parties to the joint research agreement, despite applicant’s submission of the amendment.”

Further, in view of the USPTO’s sometimes-slow processing of certificates of correction, the final sentence of the rule should state (or the final rule discussion should make clear) that, if corrected with a certificate of correction, the amendment is effective as of the date of its submission, rather than as of the date of issuance of the certificate of correction. The applicant should not be penalized because of the USPTO’s administrative inability to process amendments or issue certificates of correction expeditiously, even if those administrative problems are excusable. Accordingly, NAPP suggests that the final part of the sentence be changed from “...the amendment ... will not be effective unless the patent is corrected by a certificate of correction...” to “the amendment ... will be effective, as of the filing date of the amendment, but only if the patent is corrected by a certificate of correction....”

## **Conclusion**

In conclusion, NAPP proposes that the USPTO construe the term “application” broadly and in accordance with the definition in the Patent Act and allow applicants to place the names of the parties to joint research agreements in the application by filing original or supplemental oaths or declarations containing that information. The USPTO should implement the CREATE Act in a way that ensures that its practice with respect to 35 USC §103 is consistent throughout, *viz*, applicants should be permitted to submit inventors’ oaths or declarations during the course of prosecution – without fees – to overcome prior art rejections that would fall within the scope of the CREATE Act. Congress’s concern about public notice is satisfied by the terminal disclaimer notice that would be printed on the face of patents issuing where the safe harbor provision of the CREATE Act was invoked and by public access to file histories.

With respect to the dates and scope of invention, the USPTO should require no more than the CREATE Act specifically requires. NAPP has provided other, specific suggestions with respect to certain wording of the proposed rules and the USPTO’s apparent interpretation thereof.

NAPP respectfully requests that the USPTO respond to each and every comment separately in any final rulemaking.

These comments were prepared by the government affairs committee of the NAPP.

Respectfully submitted,

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